



SMBs at Work



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SMBs are making it big

The behemoths of the Fortune 500 and other huge companies often steal the lion's share of the press and the public's fascination. But smaller companies are more agile and innovative, because they have to be.

Small-and-midsize businesses, or SMBs, aren't just smaller versions of big companies: Where larger companies can be relatively set in their ways, SMBs must quickly find the very best solutions to survive and thrive. Put another way: Larger businesses want to know what the best-of-breed apps are. Smaller businesses define what the best-of-breed apps are, and our data proves it.

That's why we created this new report, the **SMBs at Work Report**, focused squarely on SMBs. Our data* indicates that, in a lot of ways, SMBs are actually the trendsetters of the tech world. Their choices — which technologies to deploy, which authentication factors to utilize, which business practices to follow — prove what's working, and set future trends that larger enterprises will follow. As we'll demonstrate in the data this year, SMBs are outsize drivers of the trends we see among businesses of all sizes.

This report is powered by the same deep global multi-year dataset that fuels our annual [Businesses at Work Report](#). Each year, we anonymize, aggregate, and analyze data across our 18,000 active global customers (connected through the 7,000-plus integrations of the [Okta Integration Network](#)) to reveal current trends in app adoption, authentication factors, and more. For the SMBs at Work Report, we narrowed the focus to two distinct company sizes: **small businesses**, defined here as those with 50 or fewer employees, and **SMBs**, defined here as those with 500 or fewer employees. (For more detail, please see the methodology section on page 7.)

In the pages that follow, we'll explore those driving forces, and investigate exactly what tools SMBs are utilizing right now to make work more efficient, keep workforces safe and productive, and drive success.

*All data included in this report, unless otherwise noted, derive from the original findings of this report and from those of the report's previously published iterations in [2023](#) and in [2024](#).

Key findings

Categories at work

- **SMBs are driving significant growth** in key app categories this year relative to larger companies.
- **SMBs are adopting legal tools** at a faster rate (51%) than the overall market (35%).
- **SMBs focused on core functionality this year**, with business supplies holding the No. 2 spot after legal tools.
- **SMBs are doubling down on what's already working.** Nearly all the categories that SMBs are already the most widely invested in — including security, cloud platforms, and developer tools — are also in the growth quadrant this year.

[Explore all category-specific insights](#)

Most popular apps

- **SMBs deploy an average of 58 different apps**, vs 93 apps on average deployed by businesses of all sizes (including those with 500-plus employees). Small businesses deploy around 36 apps.
- **The top three most popular apps for SMBs**, in order, are the workspace workhorses Microsoft 365, Google Workspace, and AWS — the same order reflected when we look at all companies.
- **Collaboration apps like Slack and Box rank higher for SMBs** than at all companies, when looking at the top 15 most popular apps.
- **Popular apps change with company size.** In the travel category, companies of 50 employees or fewer prefer TravelPerk, while companies with 51 employees or more prefer Navan. Similar preference changes occur — at different transition points — across many other categories, including finance, job boards, email, and design software.

[Explore all most-popular-app insights](#)

Fastest-growing apps

- **Vanta is the fastest-growing app for SMBs when we look at all apps** (up 322% YoY by number of customers). Sales and marketing app ZoomInfo is second (up 109% YoY), and prospecting and expense management tool Ramp is third, with 97% YoY growth.
- **Canva is the fastest-growing app for SMBs when we look only at the 50 most popular apps.** Here we see 76% growth by customers and 171% by unique users.
- **Grafana (up 64% YoY) is the fastest-growing app in the Developer Tools category**, Heap (up 56%) is the fastest-growing Analytics app, and the fastest-growing project management app is Airtable (up 34%).

[Explore all fastest-growing-app insights](#)

Workflows

This year, we investigated the rapid growth of Workflows connectors to automate repetitive processes between apps — a particular interest for SMBs, who often have to heavily leverage smaller cross-functional teams.

- **Slack is the most popular Workflows connector** in the OIN this year.
- **The fastest-growing overall is Jira**, at 60% YoY growth.

[Explore all Workflows insights](#)

Security and authentication

- **SMBs are driving healthy growth in app adoption** across compliance and security categories.
- **VPN/Firewall is the top security category this year**, growing 14% among SMBs (a key driver of the 12% YoY growth across all companies).
- **Compliance tools is the fastest-growing security category this year**, with deployment up a staggering 137% among SMBs.
- **SMBs are shifting away from lower-assurance authentication factors** like security questions to higher-assurance ones like biometrics.
- **Usage of low-assurance security questions is down 12%, on average**, while usage of higher-assurance security key or biometric factors is up by double digits YoY nearly everywhere.
- **The nonprofit sector is making the most progress by industry**, including 40% growth in security key or biometric factor deployment (this year's top result).
- **Passwordless authentication is on the rise among SMBs**, and this year's Okta FastPass data reveals that many of those passwordless logins are being protected by biometrics as well.
- **The technology, finance and banking, and retail sectors** host the most FastPass authentications per account. In tech, 32% of those authentications are protected with biometrics; in finance and banking, it's 24%; in retail, it's 37%.

[Explore all security and authentication insights](#)



Larger businesses want to know what the best-of-breed apps are. Smaller businesses *define* what the best-of-breed apps are, and our data proves it.”

Focus: Small businesses

Small businesses, defined as those with 50 or fewer employees, are a critical subset of SMBs that are punching way above their weight: Security tools, for example, show 61% growth YoY for small businesses, versus just 18% YoY growth when looking at all businesses. Some key takeaways:

Categories at work

- **Small businesses focus this year on design software, security, and travel.** High growth categories this year include tools for building their brands and protecting the enterprise: Security tools, e-signatures, and design software top this year's list.

Fastest-growing apps

- **Small businesses are accelerating core services**, in part by leveraging automation, which lets these lean operations improve productivity without increasing headcount. Compliance and security apps Vanta and Drata lead the way this year.

Most popular apps

- **Google Workspace overtook Microsoft 365** as the most widely deployed app for small businesses, up 77% by unique users and 30% by number of customers.

Security

- **Small businesses are an outsize driver of change.** The most-popular category, VPN/firewall, grew 25% among small businesses (versus just 12% across all companies). And the fastest-growing security category, compliance tools, grew 154% among small businesses.



How did Okta create this report?

To create our Businesses at Work reports, we rely on data from Okta customers. We anonymize Okta customer data from our network of thousands of companies, applications, and IT infrastructure integrations, and millions of daily authentications and verifications from countries worldwide. Our customers operate in every major industry, and their employees, contractors, partners, and customers use Okta to securely log in to devices, websites, apps, and services and to leverage security features to protect their sensitive data.

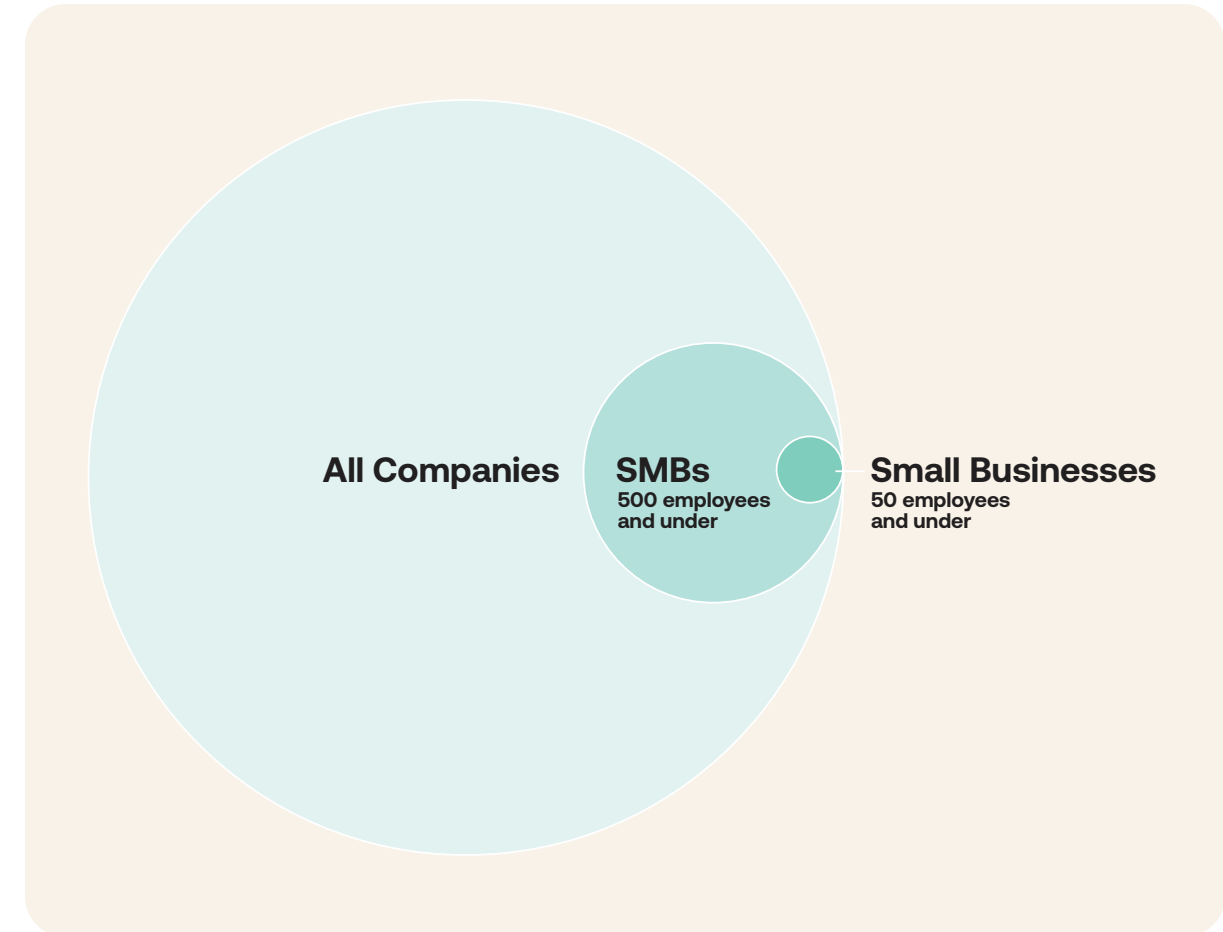
As you read this report, remember that this data only represents Okta's customers, the applications and integrations they authenticate to through the [Okta Integration Network](#), and how users access these tools through our service. Throughout this report, we use the terms “app” and “tool” to refer to applications, services, and integrations available through the Okta Integration Network. The trends we describe for Okta's Microsoft 365 customers may differ from those of Microsoft 365 customers who don't use Okta (i.e., those using Azure Active Directory or other Identity platforms that don't provide strong cross-app integration support.)

We look at app rankings in different ways. Some charts present the number of customers who have deployed apps from the Okta Integration Network. Some look at the number of active unique users (defined as users who have logged in to an app via Okta at least one time in the past 30 days).

We've worked carefully to standardize our data. Unless otherwise noted, this report presents and analyzes data from November 1, 2022, to October 31, 2023, which we refer to as “this year,” “today,” and “in 2023.” Similarly, when we refer to “last year” or “in 2022,” we mean data from November 1, 2021, to October 31, 2022. “2021” refers to the same period in its respective year.

When referring to company size, Okta uses a number of different terms. Here are some details.

- **Small businesses** refer to businesses with 50 or fewer employees.
- **Small-and-midsize businesses, or SMBs**, refer to businesses with 500 or fewer employees. (Note that all small businesses are SMBs, but not all SMBs are small businesses.)
- **Large companies** refer to Okta customers with 501 or more employees.
- **Fortune 500 companies** refer to Okta's customers listed in the Fortune 500 list of top companies.
- **All companies** refers to the entire Okta customer base, regardless of number of employees.



We use the term “Workforce Identity” to signify Okta customers deploying Okta services to their employees. Okta also offers products that allow Workforce and Customer Identity use cases in the same environment. We exclude these products when we discuss Workforce Identity in isolation. In instances where our data is limited to Workforce Identity, we've noted this below the chart.

The authentication data shared in the Passwordless Authentication with FastPass section is based on one year of cumulative data from Workforce Identity customer device-based authentications through Okta FastPass.

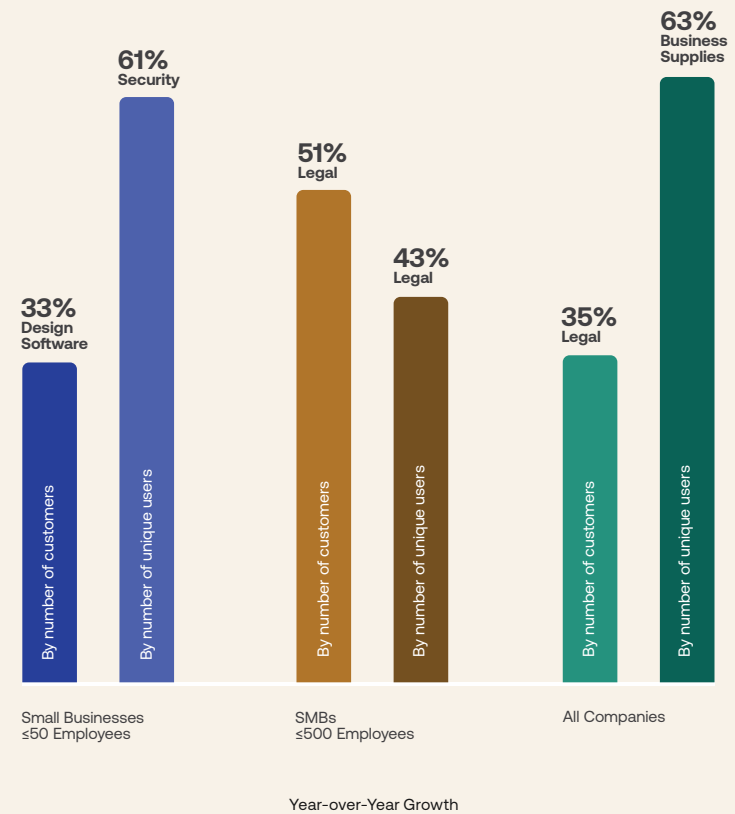
Unless otherwise specified, the data included in this report is limited to Okta customers who have deployed at least one app to users through the Okta Integration Network. Also, unless otherwise noted, this report looks at apps deployed for corporate use. This report focuses exclusively on Okta data and does not include Auth0.



Categories at work

This year's data paints a picture of **SMBs** and **small businesses** processing more contracts (and e-signatures), building their brand identities through design, resuming even more post-pandemic business travel, and resupplying their office spaces. Reviewing the most popular app categories over the past year for SMBs, for small businesses, and for all companies shines an important spotlight on what activities are of particular importance to SMBs. Over on the all-companies list, for example, legal tools is the fastest-growing category by number of customers this year, with 35% YoY growth. But how much is this trend driven by the SMB subset of all companies?

Fastest-growing app categories among small businesses and SMBs



Fastest-growing app categories

SMBs are driving overall growth in the legal tools category

Among SMBs, the legal tools category grew by a whopping 51% by number of customers and 43% by unique users. Led by apps like LegalZoom, DocuSign, and RocketLawyer, these tools let SMBs safely automate otherwise staff-intensive activities, so they can get things done without standing up expensive in-house teams. Beyond legal tools, SMBs' next highest focus is business supplies, up 42% by unique users — a strong category for companies of all sizes as well.

When we narrow the focus even further, to small businesses (50 employees or less), we see a broad range of category growth. Judging by the top growth categories, small businesses are focusing even more on utilizing design software to build their brands and products. In this category, small businesses are up 33% YoY by number of customers, versus 21% for SMBs. They're also busy protecting their enterprises with top security tools (up 61% YoY by number of unique users). E-signature apps (up 47% by unique users YoY) and travel (up 27% by number of customers) follow close behind, showing that small businesses, whether home or away, are aggressively expanding.

Growth of app categories among SMBs

SMBs are deploying core functionality — starting with legal

Small-and-midsize businesses (SMBs) are taking care of the basics: As the chart on the following pages reveals, this year's data shows they're investing in tools for digital contracts, stocking offices, and building brands. In the lead among the most popular app categories are legal tools, growing year-over-year (YoY) at a stunning 51% by number of customers and 43% by unique users. That's more than twice the legal app growth among companies with 501-plus employees (21% YoY by number of customers), as SMBs find more efficacy and efficiency, including through automation, to address their growing legal needs.

Other top app growth categories among SMBs are design software (up 21% by number of customers) and business supplies (up 42% by unique users) — results that are similar to those of larger businesses. Also prominent in the list of growth leaders for SMBs is travel.

Setting aside growth for a moment, the top five categories by number of customers (indicated by relative circle size) all involve rolling out core business functionalities. In order from most- to least-deployed, these are: content collaboration, security, sales and marketing, cloud platforms, and developer tools. In fact, out of the top 12 app categories, video conferencing is the only top category that's not also in the growth quadrant this year. This means SMBs are essentially

doubling down: They're already heavily deployed in these core business categories, and they are also quickly increasing their investments there.

Intriguingly, these SMB drivers are also important to the growth of all companies in some areas. For example, SMBs enjoyed 11% growth this year in content collaboration (by number of customers), and 13% in security. Large businesses with over 500 employees are growing more slowly than SMBs in both categories: up 4% for content collaboration and up 5% for security tools.

A final note: For a few app categories, including job boards, consumer apps, healthcare, e-learning, and shipping, this year's SMB data shows negative growth — decreases in the number of companies and/or unique users. In some cases, this might be the result of reduced deployment of these tools, but other factors can move the numbers in that direction. SMBs could have gone out of business or downsized; companies' return-to-office policies may have affected software deployment. And some companies that had 500 or fewer employees a year ago may have since outgrown our SMB designation, creating an artificial drop in the SMB data.



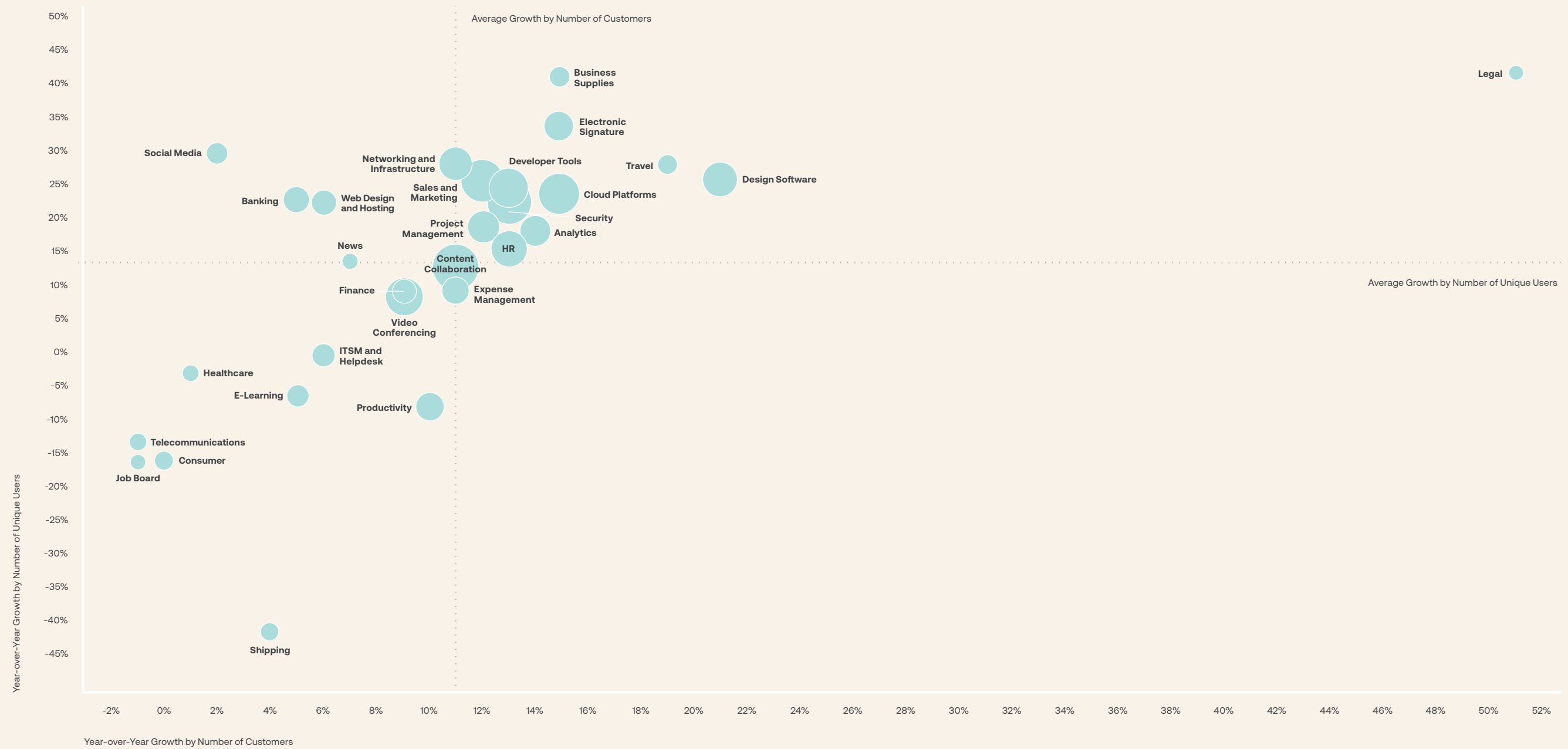
Growth of app categories among small businesses

Small businesses focus on brand-building and security

Turning our attention to **small businesses** (50 employees or fewer), design software is the growth leader by number of customers (up 33% YoY), followed by travel (27% YoY growth in customers). When measured by number of unique users, design software's growth among small businesses (up 38% YoY) outpaces its growth among all businesses by a whopping 15 percentage points. However, two other sectors are rising even faster when measured by unique users. Security tools lead the way in unique user growth (61% YoY growth for small businesses, compared to 18% YoY growth among all businesses), closely followed by e-signature apps (47% growth in unique users).

Content collaboration and developer tools also show strong growth. Content collaboration is up 21% YoY by number of customers and 29% by unique users; developer tools are up 22% by customers and 38% by unique users. While much of the category growth data for small businesses parallels trends seen among all companies, there are a few notable exceptions. Business supplies and sales and marketing tools aren't growing as fast among companies with fewer than 50 employees as they are for SMBs. Video conferencing is still a growth leader for small businesses (but not for SMBs), and developer tools rank higher than cloud platforms for small businesses by number of customers (but lower than cloud platforms for SMBs).

Growth of app categories among SMBs



Note: In this view of app usage, we count the number of customers deploying one or more apps or tools in each category.

This acceleration matrix captures the YoY percentage growth by number of customers (X-axis) and unique users (Y-axis). The top-right quadrant is where our growth leaders sit. The top-left and bottom-right quadrants show above-average growth by number of unique users (top left) and by number of customers (bottom right). We rank categories by number of customers, and reflect this in the relative sizes of the light blue circles.



Most popular apps

In this section, we'll discuss the specific apps **SMBs** (500 employees or fewer) and **small businesses** (50 employees or fewer) deploy most widely across their enterprises. The data shows that small businesses are deploying fewer total apps on average than SMBs, and SMBs in turn, deploy fewer apps than larger businesses. All sectors show significant YoY growth in their app deployment.

Small businesses (50 employees or fewer) deploy an average of 36 different apps to help their companies run, up 3% from 2022's average, and SMBs average 58 apps each, up 5%. When we look at all companies, including those with more than 500 employees, the average is an impressive 93 different apps per company — a 4% increase year-over-year. But what apps are companies of each size deploying? That's where it starts to get interesting. Let's dig into the data.

Most popular apps

Small businesses rank Google Workspace their top app

Different size companies have different needs, assets, and priorities, which is reflected in their most popular apps. When we look at all businesses, at **SMBs**, and at **small businesses**, what are the 15 most popular apps? Among small businesses, Google Workspace is the single most popular app, and Microsoft 365 holds second place. Those relative positions are reversed when looking at SMBs and at businesses overall. (In all three categories, Amazon Web Services comes in as the third most popular.)

As the high position of office platforms among all app choices demonstrates, it's a deeply collaborative world at all company sizes. And both the SMB and small business sectors are

prioritizing apps that help employees work together. Slack, Zoom, and Box rank in the top 15 most popular apps among companies of any size, but they rank as high or higher for small businesses and for SMBs. Similarly, software dev app GitHub ranks ninth most popular when looking at all companies and SMBs, and slightly higher (eighth) among small businesses. Certain sales and marketing apps are particular darlings of the SMB set: Zendesk ranks higher among SMBs and among small businesses in particular, and Hubspot makes the list only for small businesses. (Salesforce reigns as the category leader when looking at all companies.) Adobe Creative Cloud and 1Password also make the rankings for small businesses.



Most popular apps among SMBs and small businesses

Overall	Small Businesses ≤50 Employees	SMBs ≤500 Employees
1 Microsoft 365	1 Google Workspace ▲	1 Microsoft 365
2 Google Workspace	2 Microsoft 365 ▼	2 Google Workspace
3 Amazon Web Services (AWS)	3 AWS	3 AWS
4 Salesforce	4 Slack ▲	4 Zoom ▲
5 Zoom	5 Zoom	5 Slack ▲
6 Atlassian Product Suite	6 Atlassian Product Suite	6 Atlassian Product Suite
7 Slack	7 Salesforce ▼	7 Salesforce ▼
8 DocuSign	8 GitHub ▲	8 DocuSign
9 GitHub	9 DocuSign ▼	9 GitHub
10 KnowBe4	10 Zendesk ▲	10 KnowBe4
11 Cisco Meraki	11 Box ▲	11 Zendesk ▲
12 Lucidchart	12 KnowBe4 ▼	12 Cisco Meraki ▼
13 Jamf Pro	13 Adobe Creative Cloud ▲	13 Lucidchart ▼
14 Zendesk	14 1Password ▲	14 Box ▲
15 Box	15 HubSpot ▲	15 Jamf Pro ▼

▲ Higher Rank than Overall ▼ Lower Rank than Overall

The 50 most popular apps, SMBs

Our acceleration matrix tells a tale of rapid growth

This Acceleration Matrix looks at the 50 most popular apps data for **SMBs**, offering insight-rich detail. Here's how it works:

The chart on the following pages plots growth in number of customers along the x-axis and YoY growth in unique users along the y-axis. The relative sizes of the circles convey how widely each app is deployed (number of customers). The dotted lines represent the average year-over-year growth across all apps (an impressive 17% by number of customers and 21% by unique users this year), dividing this graph into four quadrants. The overall growth leaders — with outstanding growth in unique users AND number of customers — can be found in the upper right quadrant.

That growth quadrant tells an interesting story: For SMBs, Canva steals the spotlight as the fastest-growing app. (Did you miss it? Look even farther up and to the right.) But despite growing a stunning 76% by customers and 171% by unique users among SMBs, Canva doesn't yet rank among the top 50 for all companies — this monumental growth is driven almost entirely by SMBs. (This makes sense, given Canva's [recent focus on the SMB sector](#).)

Similarly, the next two fastest-growing apps among the 50 most popular SMB apps don't appear at all on the top 50 apps for all companies. Twilio SendGrid (up 47% YoY by customers, 76% by unique users) and Notion (up 42% by customers, 67% by unique users) are growth leaders, but aren't

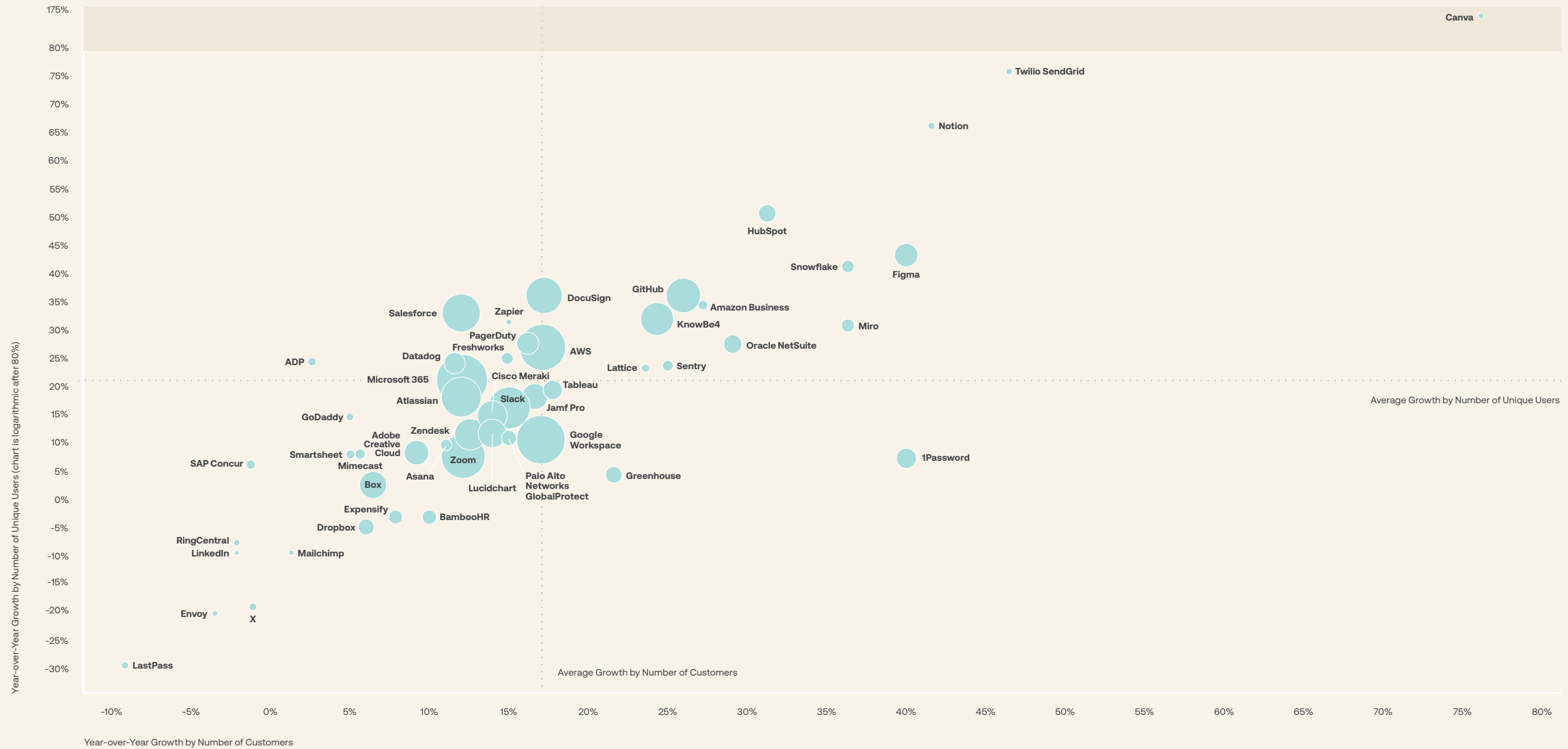
deployed enough by larger companies to make the all-companies 50 most popular apps list. Lattice (up 24% YoY by customers and 24% by unique users) does appear on the all-companies list, but is a growth leader only among SMBs.

This SMB 50 most popular apps list does share some similarities with the all-companies list, however. Figma, Snowflake, Miro, HubSpot, Amazon Business, GitHub, Oracle NetSuite, Sentry, and KnowBe4 are all prominent growth leaders in the data for SMBs and all companies. Large companies with more than 500 employees seem to be prioritizing project management (monday.com shows 33% growth by customers and 39% by unique users) and business supplies (Amazon Business shows 28% growth by customers and 97% by unique users YoY). Amazon Business is also in the growth quadrant for SMBs but isn't growing nearly as quickly by unique users (35% for SMBs, vs 97% by larger companies).

Taken together, this year's data shows that SMBs are focusing efforts on adding new tools for design and sales and marketing at a rapid pace. Meanwhile larger companies are focusing more on supplying their offices and adding new tools for project management and collaboration.



Growth of the 50 popular apps among SMBs



Note: In this view of app usage, we count the number of customers deploying one or more apps or tools in each category.

This acceleration matrix captures the YoY percentage growth by number of customers (X-axis) and unique users (Y-axis). The top-right quadrant is where our growth leaders sit. The top-left and bottom-right quadrants show above-average growth by number of unique users (top left) and by number of customers (bottom right). We rank categories by number of customers and reflect this in the relative sizes of the light blue circles.



Battle of the bundles, small businesses and SMBs

Google Workspace growth outpaces Microsoft 365

Businesses of all sizes are growing their usage of productivity suites like Google Workspace and Microsoft 365. Slicing the data for SMBs and small businesses, some intriguing trends emerge when compared to the set of all companies.

Among small-and-midsize businesses (SMBs), Google Workspace leads Microsoft 365 in growth by number of customers (17% vs. 11%, respectively), but Microsoft 365 takes the flag in growth by unique users (22% vs. 11% YoY).

Among small businesses, the two behemoths show even more impressive YoY growth. Google Workspace boasts a whopping 77% YoY growth in unique users — growth much higher than we normally see — and 30% YoY growth when measured by number of customers. Microsoft 365 comes in second, and can still boast robust growth numbers: 21% in number of customers and 25% in unique users YoY.

When considering all companies taken together (i.e., adding in large businesses with more than 500 employees), the data shows an intriguing horse race. In customer growth, Google Workspace edges Microsoft 365 (15% and 10% YoY growth, respectively); when measured by number of unique users, the two are neck-and-neck (16% YoY growth).

This healthy growth for Google Workspace and Microsoft 365 shows that companies at every level (especially small businesses) continue to add top productivity suites to their arsenals. But the deployment of both suites is growing much more rapidly among SMBs than among larger companies.

Best-of-breed apps by company size

How software solutions change as companies grow

At what point in its growth does a company revisit its best-of-breed software solutions? (We define “best-of-breed” apps as ones that dominate their categories for the functionality they provide.) We looked at the data to better understand these inflection points — where the top app in a given category shifts, on average, to a different solution. This isn’t about outgrowing the functionality of one best-of-breed app. More often, it’s about companies changing preferences or adding new functionality with additional best-of-breed apps as their needs grow and diversify.

The chart on the following pages aims to answer this question: At what point in companies’ growth does the #1 most popular app (by number of customers) in each major category switch to a new one? Here’s what we found.

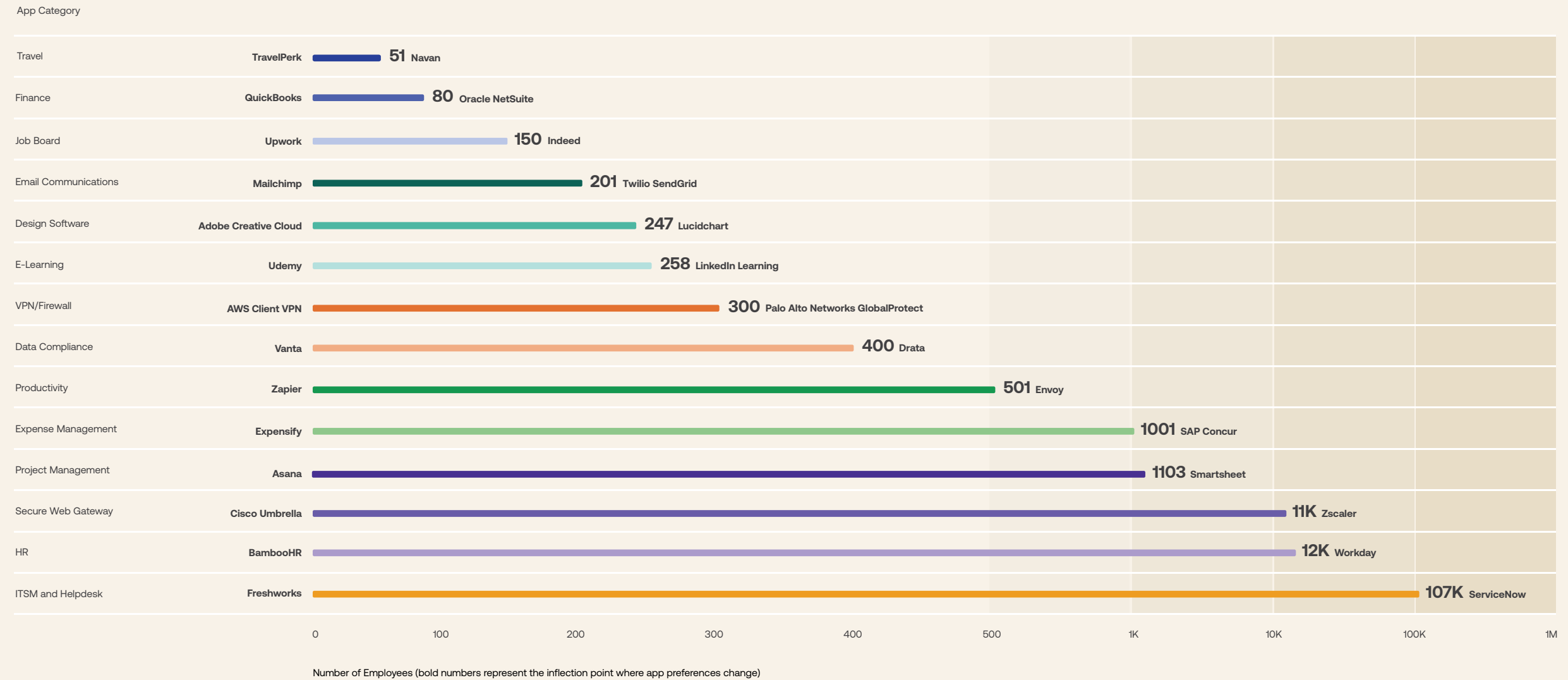
Growing businesses are quickest to swap apps in the world of travel. TravelPerk is deployed the most by companies of 50 employees or fewer (plus it’s the No. 6 fastest-growing app among SMBs this year and the No. 9 fastest-growing among all companies). But for companies with 51 employees or more, the top travel app shifts to Navan. Finance was the second-fastest category to reach this transition point, with smaller businesses choosing QuickBooks the most up until 80 employees, at which point Oracle NetSuite takes over as the top finance app.

Many of these transitions spotlight functionality that small businesses may not need until reaching a certain size. Take design and diagramming software: Smaller companies prefer the Adobe Creative Cloud productivity suite for creative work, but once they reach 247 employees, they deploy Lucidchart more, on average, likely demonstrating a need for diagramming tools. Similarly, with productivity tools, smaller companies rely on Zapier as their #1 productivity tool for automation ... until they reach 501 employees, when they start using Envoy to control access to their buildings. Companies may not need integrated workspace management systems (IWMS) as much until they reach a workforce size that requires that additional functionality.

Data compliance is one of the hottest app categories this year, here and in the main report, and the transition here sees companies shifting between two of our report’s fastest-growing tools. Below 400 employees, Vanta is No. 1; above 400, the No. 1 spot shifts to Drata. The inflection point for the VPN/firewall app category is a bit lower, at 300 employees: Businesses smaller than this choose AWS ClientVPN, while companies larger than this rely on Palo Alto Networks GlobalProtect. Secure web gateways have a much higher transition point, and the No. 1 app in this category doesn’t shift from Cisco Umbrella to Zscaler until 11,000 employees.



Best of breed by size: How the top apps change as companies grow



Note: On this chart, for ease of reviewing, the X axis represents values on a geometric scale up until 500, but on a logarithmic scale thereafter.



Fastest-growing apps

The most popular apps (pp 17-30) were the apps most widely deployed in the field: successful, well-known apps that can perhaps relax on their laurels a bit. The fastest-growing apps, on the other hand, tell a story of apps on the rise. These apps made relatively big leaps in popularity over the previous year — the new kids on the block — and their quick rise can represent important new trends in business.

For SMBs, this year's fastest-growing apps data points to an increasing focus on sales and marketing, compliance, and security, particularly with the rise of Vanta, Drata, and ZoomInfo. Fastest-growing apps quite often become the most popular apps of the future, so keep an eye on all the up-and-comers in this year's data.

SMBs seek security, drive fastest-growing apps for all businesses

This year, small-and-midsize businesses (SMBs) are investing heavily in keeping their businesses compliant and secure. A full 50% of the fastest-growing tools this year are in the compliance and security space, including top-ranked data compliance platforms Vanta (322% growth YoY) and Drata (91% growth, starting from a significantly larger customer base), returning Top 10 password manager Keeper (87% growth), and network security solutions Tailscale (72% growth) and Perimeter 81 (64% growth).

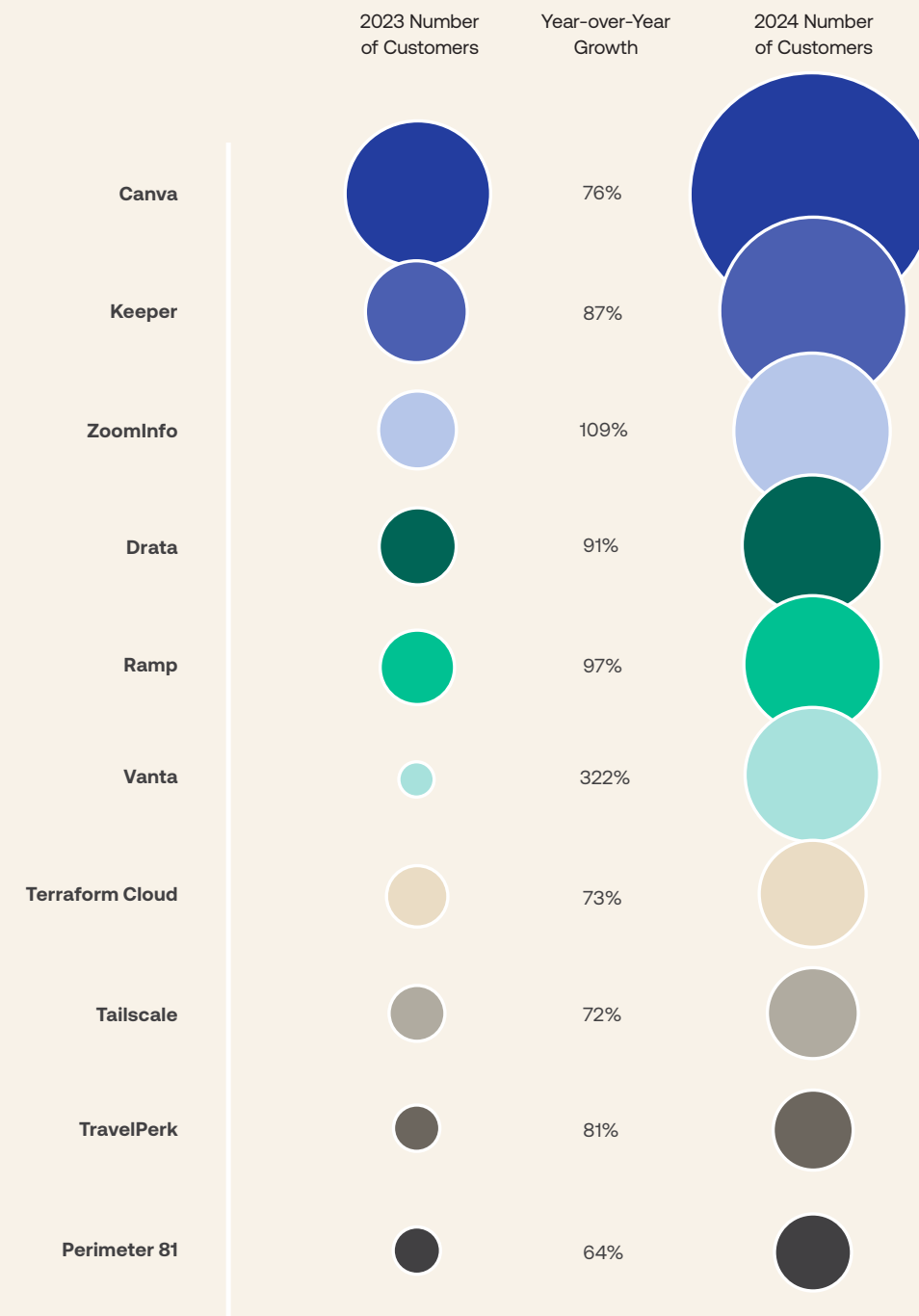
Beyond compliance and security, SMBs show a strong appetite for a range of other core activities. These include driving sales and marketing (ZoomInfo ranks in second place with strong 109% growth) and prospecting and expense management (Ramp boasts 97% growth YoY). The sixth-place finish for TravelPerk (with 81% growth) shows post-pandemic travel is still key for SMBs, as are design software solutions (Canva locked down seventh-place with 76% growth) and cloud platform solutions (with the eighth-place finish

of Terraform Cloud by HashiCorp at 73%).

Comparing the top 10 fastest-growing apps for SMBs to the top 10 list for all businesses from our full [Businesses at Work Report](#), SMBs' starring role in driving growth becomes clear. In fact, when we remove SMBs to focus the data only on large businesses — those with more than 500 employees — 90% of the fastest-growing apps are completely different. The only common app among all the “fastest-growing” lists is Keeper, which ranks at No. 5 on the overall list as well as the list for SMBs, and #1 among businesses with more than 500 employees.

For these large businesses, the most popular apps list is full of familiar faces. Terraform Cloud, Grammarly, and Ironclad from this year's list were among the fastest-growing apps in 2022; Fivetran and monday.com were in the Top 10 in 2021; and 1Password was Top 10 in 2020.

Fastest-growing apps among SMBs



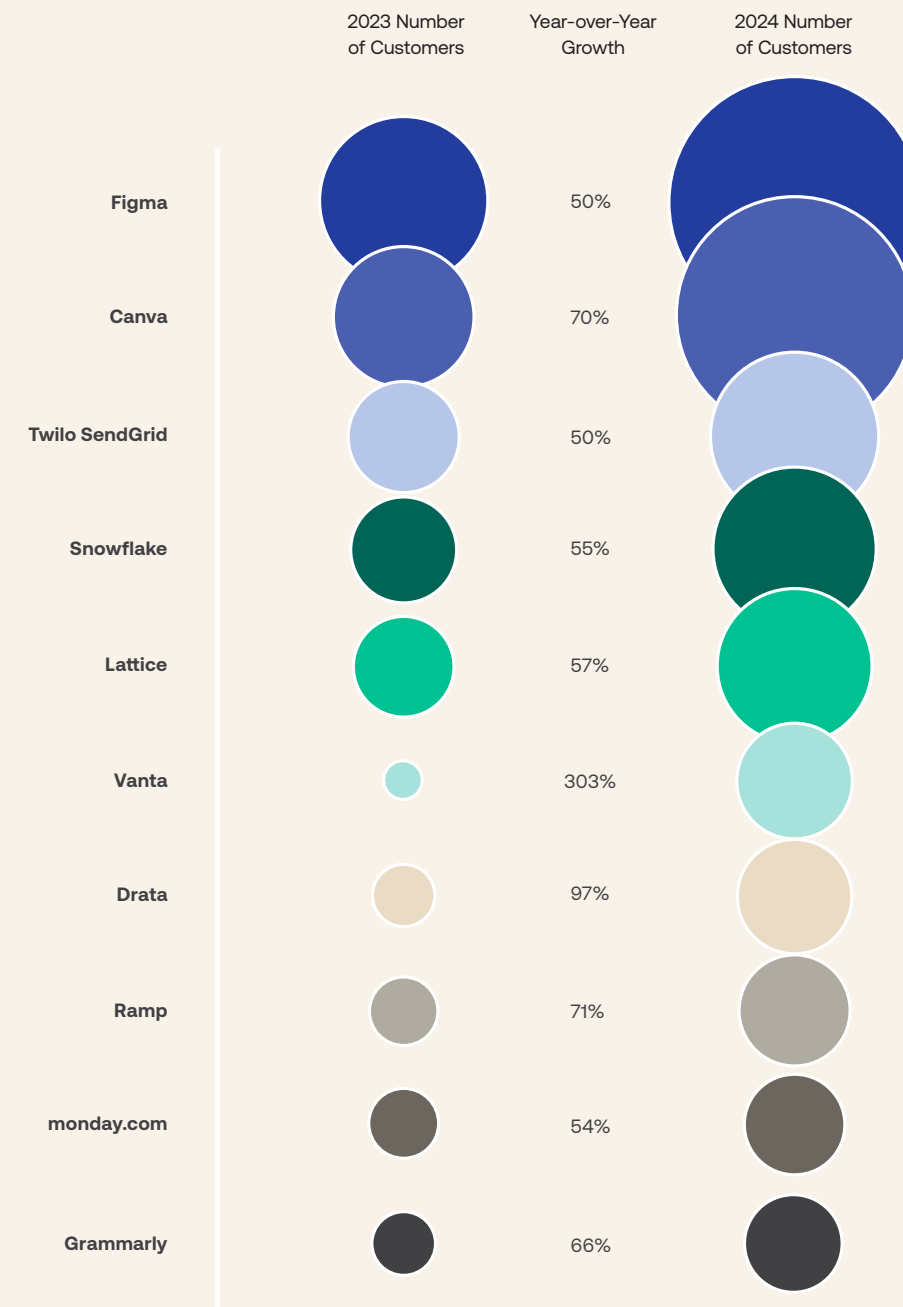
Small businesses build across core tools and security

This year's Top 10 Fastest-Growing Apps list for **small businesses** displays an impressive variety of apps, reflecting an array of business-building needs. But the top two fastest-growing apps fall squarely in the compliance and security space, with Vanta showing 303% growth YoY, and Drata growing 97% from a larger customer base. The data shows that the larger companies get, the farther their needs diverge from those of small businesses: Eight of the apps on the small-business version of this list are also on the SMB list, and just four appear on the all-companies list that includes businesses with 500-plus employees.

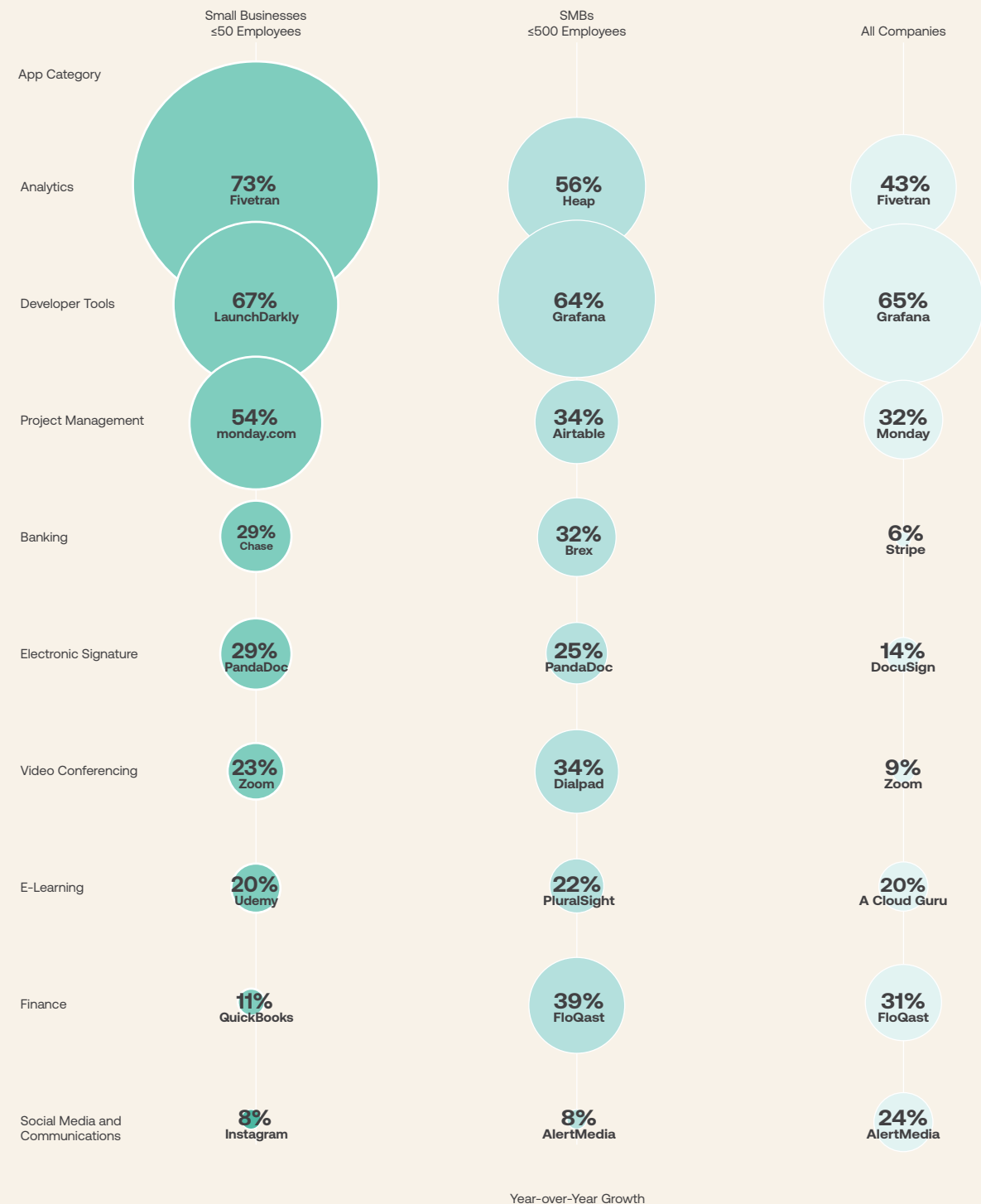
Small businesses are clearly building out their companies' other core tools as well, including expense management (Ramp, at 71% YoY growth), design and proofreading (Canva, at 70%, and Grammarly, at 66%), employee engagement (Lattice, at 57%), data analytics (Snowflake, at 55%), project management (monday.com, at 54%), design (Figma, at 50%), and sales and marketing (Twilio SendGrid, at 50%). Small businesses have a diverse set of needs, and the skyrocketing growth across a wide range of apps shows they are wasting no time filling them.



Fastest-growing apps among small businesses



Fastest-growing apps among the most popular app categories



Fastest-growing apps among top categories

Small businesses have big favorites when it comes to apps

We also looked at the fastest-growing apps per category for **small businesses**, for **SMBs**, and for all companies. For this chart, we've left off category leaders that dominate the YoY growth rankings across the board regardless of company size, like ZoomInfo for sales and marketing, to focus on categories that show intriguing differences.

Other categories show some interesting differences between small businesses, SMBs, and all businesses. For example: Fivetran is the analytics category leader for small business and all companies (at 73% and 43% growth YoY, respectively), but for SMBs the most popular answer is Heap (at 56% growth). Grafana is the fastest-growing developer tool for SMBs and for all companies (sporting 64% and 65% growth, respectively), but small businesses instead show a preference for LaunchDarkly (67% growth YoY).

Zoom still dominates the video conferencing category. Among SMBs though, we are seeing more excitement around Dialpad, showing 34% growth YoY. Similarly, DocuSign is the leading name in electronic signatures across all companies, but when you narrow the focus to small businesses and SMBs, upstart PandaDoc is leading the way (with 29% and 25% growth YoY, respectively). And in social media and emergency communications, Instagram rules the small-businesses roost, with 8% growth YoY, but AlertMedia's growth among SMBs (8%) and all businesses (24%), showcases the importance to larger businesses of being able to deliver essential communication in times of crisis.

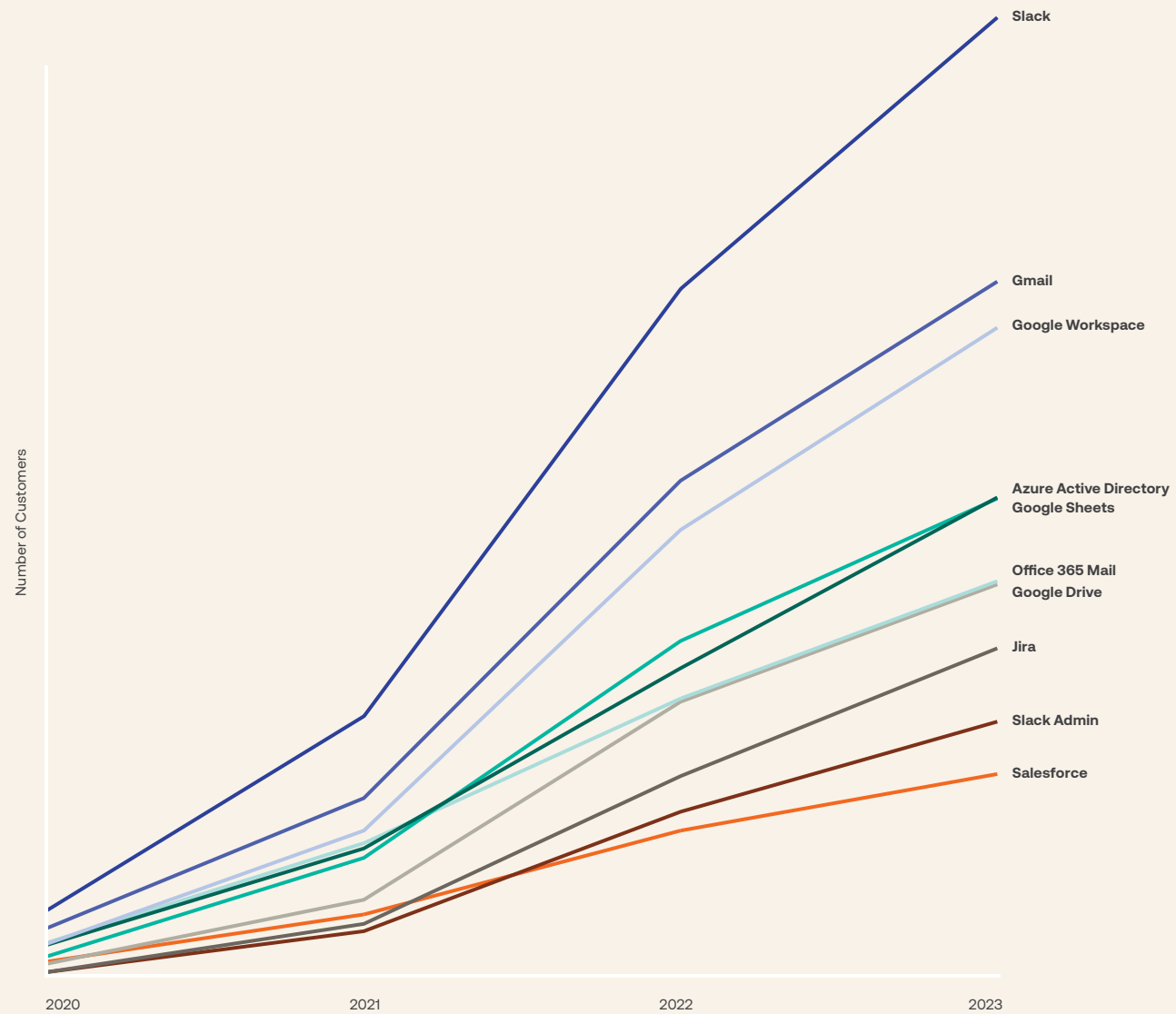


Workflows, security, and authentication

SMBs have to be relentlessly efficient to outpace their category competitors and succeed. For software efficiency, automation has been a game changer, including automated app-to-app connectors like Okta Workflows. As this year's Workflows data shows, SMBs have been enthusiastically heavying up on Google and Microsoft connectors, as well as many others.

On the security front, we can see in this year's data that SMBs are driving a lot of the overall growth in security categories like VPN/firewall, endpoint management and security, and training. In authentication, SMBs are trailblazers, converting from less secure to more secure factors at a faster rate than their larger-company counterparts. We also take a sector-by-sector look at how SMBs are increasingly switching to passwordless and backing up authentications with biometrics.

Most popular Workflows connectors among SMBs



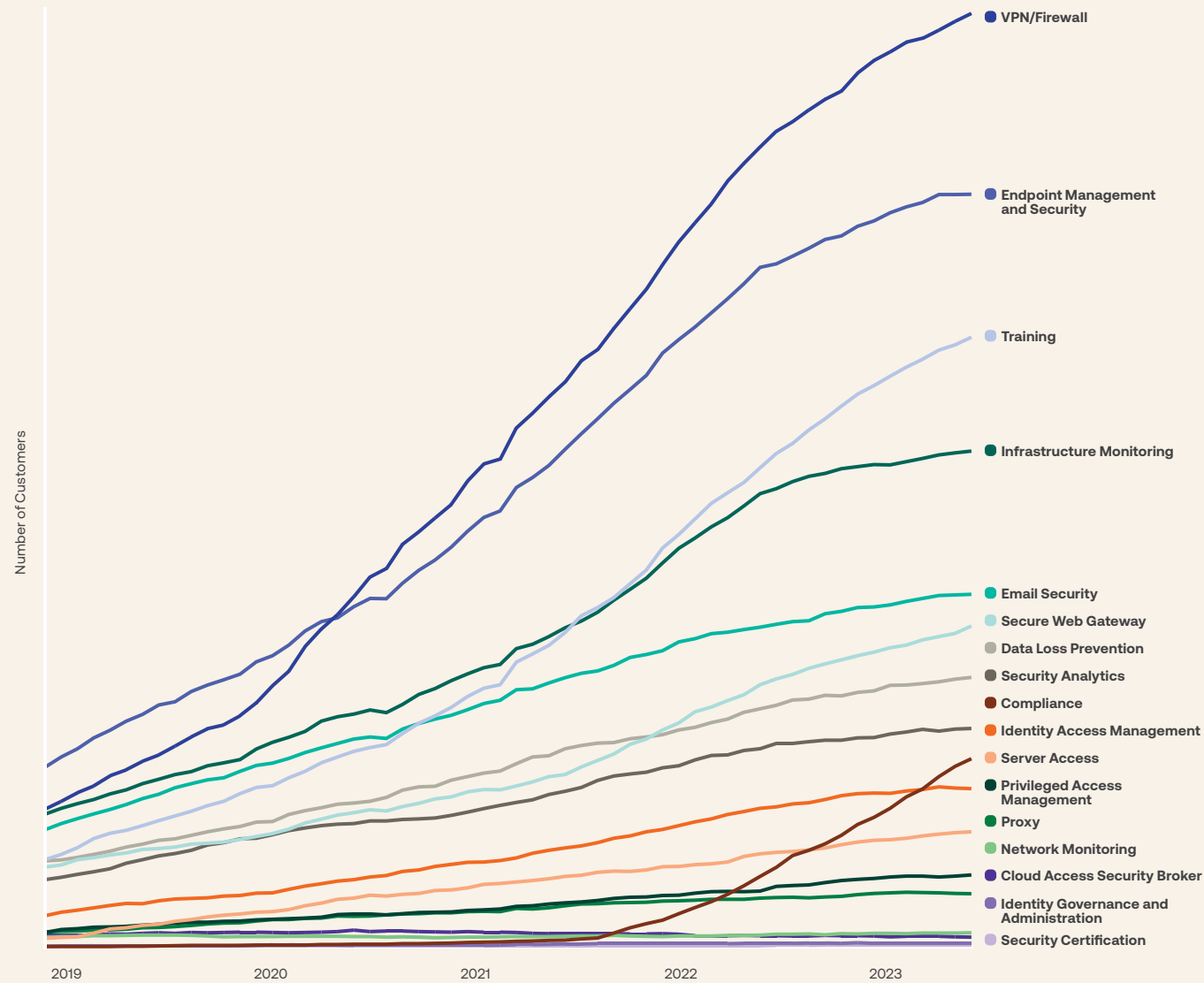
Most popular Workflows connectors among SMBs

Big names dominate in automation efficiency

As work gets more complex, companies of all sizes are looking for new ways to automate repetitive tasks and make their workforces more efficient and effective. For many SMBs, Workflows is the answer, and Workflows connectors have been growing quickly in popularity as enterprises leverage these pre-built automations to automate workflows across apps — particularly collaboration apps — and help their businesses run more smoothly.

This year, the most popular system driving automation through Workflows connectors in the Okta Integration Network is Slack, which also shows 39% year-over-year (YoY) growth by number of customers. But the category as a whole is dominated by two big names: Google and Microsoft. Google connectors take three of this year's top four most popular spots, thanks to 39% YoY growth in connectors to Gmail, 44% growth in connectors to Google Workspace, and 41% growth in connectors to Google Sheets. The Workflows connector to Google Drive rounds out the top six, and shows 41% YoY growth. Workflows connectors to Microsoft's Azure Active Directory (53% growth YoY) and Office 365 Mail (41%) fill out the rest of the top seven slots. Connectors to Jira (the fastest-growing, at 60%) and Salesforce (36%) also rank in the top 10 most popular connectors.

Most popular security tool categories among SMBs



Most popular compliance and security tool categories for SMBs

SMBs are driving security category growth

Security tools continue to grow in popularity for businesses of all sizes. But as this year’s data reveals, it’s **SMBs** (and **small businesses** especially) that are driving much of this growth. In response to new security challenges introduced by the shift to dynamic work and other digital transformation initiatives, SMBs are aggressively deploying best-of-breed compliance and security tools. And that aggressive deployment is having an outsize effect on the overall growth of security tools across all companies.

As covered in the *Businesses at Work* report, the most popular security tool category for the past few years has been VPN/firewall apps, currently deployed by 57% of customers of all sizes. This category has held the top spot since 2020, and this year we’re still seeing a YoY increase in the use of Identity-aware integrations securing access to VPNs to create an additional layer of security. The category has grown 12% YoY by number of customers when we look at all companies. But when we split this data by company size, we see that it’s SMBs (14% growth YoY) and small businesses (25% growth YoY) that are driving that growth. In fact, when we just look at companies with more than 500 employees, the growth is only 9% YoY.

As remote connectivity tools multiply, organizations increasingly need to track and manage the wide range of devices their dispersed workforces are using to access technologies and infrastructure. So, it’s no surprise we see endpoint management and security occupying the second spot among the most popular security tools, with 43% of deployment among businesses of all sizes. This category’s growth was especially rapid when many offices shifted to work-from-home

during the pandemic. But it’s still showing robust growth: again, mostly thanks to small businesses (20% growth YoY) and SMBs (10% growth YoY) rather than larger companies with more than 500 employees (7% growth YoY).

Education is still growing in popularity, although maybe not quite as rapidly as last year, when many employees returning to offices were in need of security training tools (and drove 39% YoY growth across companies of all sizes). Once again, it’s small business and SMBs leading the way. Small businesses show 47% growth YoY in deployment of training tools — a category that’s poised to take over the No. 3 spot from infrastructure and monitoring tools — and SMBs show 24% growth. But for companies with more than 500 employees, that YoY growth is only 10%.

Managing data compliance is an increasingly complex job, especially for organizations in highly regulated industries like financial services, healthcare, and critical infrastructure. Compliance tools help automate or facilitate processes and procedures that help these businesses comply with industry, legal, security, and regulatory requirements — and since the penalties for non-compliance can be painfully steep, the investment is easily justified. So it’s not surprising that compliance tools really steal the spotlight with this year’s most impressive growth. Deployment of these tools grew by 154% YoY among small businesses and 137% among SMBs, versus a still-impressive 63% among businesses with more than 500 employees. Overall usage of compliance tools is also an SMB-led story: 8% of all our customers deploy compliance tools through the OIN versus 10% of SMBs.

Growth of factor groupings among SMBs, by industry

SMBs are leading the drive toward more secure authentication factors

Organizations across the board, regardless of industry, are strengthening security by moving away from “something you know” (passwords and security questions) and moving toward “something you have” (a device) and “something you are” (biometrics). Passwords had their moment in the sun, but there’s no overcoming their inherent flaws. They’re as easy for hackers to guess as they are tough for you to remember, especially when you keep reusing them. As for security questions, hackers may already know the name of your first pet and the first car you owned, if they’ve spent any time at all on your social media. (Spoiler alert: they have.) Biometrics offer a more secure login, because your fingerprint is truly yours.

This year’s data shows that SMBs across industries are aggressively shifting to higher-assurance factors, teasing the possibility of a beautiful password-and-security-question-free future. Biometric factors lead the way with robust YoY growth in nonprofits (40% YoY growth), retail (36%), professional services (32%), and healthcare and pharmaceuticals (26%).

Second place is a little less clear-cut, but there are many success stories. Phone factors (either texting or calling) show strong growth in the transportation and warehousing sector (31% growth YoY), nonprofits (also 31%), retail (27%), and arts, entertainment, and recreation (23%). Other OTP authenticators are stretching into the sky for construction, engineering, and architecture (24%) and wholesale trade (22%). Okta Verify is dazzling crowds with 22% growth for arts, entertainment, and recreation, 26% for nonprofits, and 21% for transportation and warehousing.

What about less reliable, low-assurance factors like security questions? This year, we see a rapid drop across the board in the use of security questions — a double-digit drop, in fact, for finance and banking, professional services, and wholesale trade. The only increase is a negligible 2% rise among nonprofits. Similarly, among SMBs and small businesses alike, the tech and wholesale trade sectors are thankfully beginning to move away from low-assurance email authentication, with drops of 10% and 11% YoY, respectively. That’s an improvement from last year’s 61% growth in email use as a factor by tech.

Growth of factor groupings among SMBs, by industry

	Email	Okta Verify (Includes Push and FastPass)	Other OTP Authenticator	Phone (Voice Call or SMS)	Security Key or Biometric	Security Question
Overall	6%	15%	12%	15%	28%	-12%
Arts, Entertainment, and Recreation		22%	6%	23%		
Construction, Engineering, and Architecture		15%	24%	6%		
Energy, Mining, Oil, and Gas		14%	4%	13%		
Finance and Banking	11%	12%	1%	7%	21%	-20%
Healthcare and Pharmaceuticals	3%	7%	14%	4%	26%	
Insurance		19%	15%	17%	4%	
Manufacturing	9%	12%	19%	11%	22%	-6%
Media and Communications	18%	14%	18%	8%	24%	
Nonprofit	20%	26%	30%	31%	40%	2%
Professional Services	11%	11%	8%	14%	32%	-24%
Real Estate, Rental, and Leasing		7%	-8%	3%		
Retail	0%	19%	6%	27%	36%	
Technology	-10%	12%	9%	10%	24%	-20%
Transportation and Warehousing		21%	22%	31%		
Wholesale Trade	-11%	15%	22%	7%	26%	-7%



Note: Empty cells indicate insufficient data to determine YoY growth.

Note: This data is limited to Workforce Identity customers.

Biometrics power secure authentication for SMBs across industries

As authentication standards evolve and security improves, organizations from small businesses to SMBs to larger companies are moving toward a more reliable, secure, frictionless user experience that doesn't rely on problematic passwords.

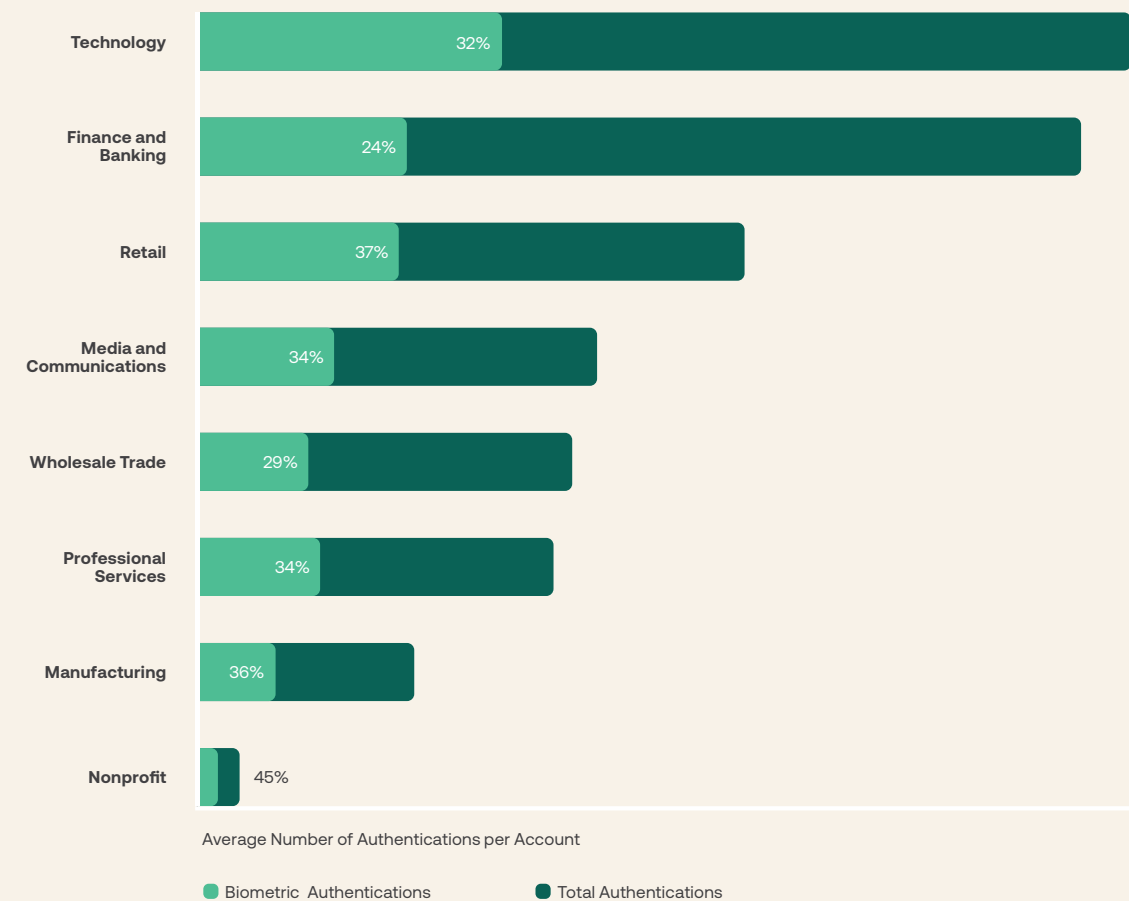
By measuring how organizations are leveraging Okta FastPass, our phishing-resistant authenticator that companies can deploy with or without biometrics, we can get an indication of the progress SMBs are making in their move away from passwords. Let's start with total authentications: the average number of passwordless authentications by account for small businesses and SMBs. Breaking down the data by industry, we can see that the tech sector leads the way in total authentications, with the finance and banking sector and the retail sector not far behind. For tech, 32% of these authentications employ biometrics as well (a higher rate here with SMBs than among overall tech customers, who clock in at 27%). Among tech industry's small businesses, 24% of authentications employ biometrics.

The retail sector — where SMBs often handle a great deal of sensitive information, including customer data, financial transactions, and

inventory records — also boasts a high percentage of biometric authentications, at 37%. Retailers typically have large numbers of employees managing cash and payments at point-of-sale (POS) systems — at businesses with high turnover rates and quick onboarding processes — so seamless and secure authentication is essential.

But the industry sector doing the best job of adding biometrics to their FastPass authentications is nonprofits, at an average of 45% per account. Biometric authentication systems are becoming increasingly more affordable, making them a cost-effective security measure for nonprofits that enhances protection without adding extensive ongoing expenses. Nonprofits often have to operate with limited budgets and resources while simultaneously wrestling with strict regulatory requirements. And they're often staffed by volunteers with limited training, who have to handle sensitive personal and financial data. Biometric authentication can be a great way for nonprofits to streamline volunteer onboarding while ensuring only authorized individuals have access to specific databases, systems, or sensitive areas.

Passwordless authentications with FastPass among SMBs, by industry



Note: This data is based on one year of cumulative FastPass data from Workforce Identity customers.



SMBs make their mark

The main [Okta Businesses at Work Report](#) turned 10 years old this year — that's a lot of data. While we always suspected SMB activity had an outsized effect on the data for all businesses, this year we got a chance to dive deeply into the numbers to prove it. It was an eye-opening experience.

We reviewed the apps SMBs and small businesses are deploying the most, and which apps and categories are growing the fastest. We even saw how top apps per category change, in predictable and unpredictable ways, as companies grow and their needs evolve. The data gave us insights into how SMBs are leaning into the future: aggressively investing in Workflows connectors, for example, to automate repetitive processes and give their hardworking smaller teams a break.

And we saw how it's SMB choices, again and again, that move the needle on the data everywhere. Through the apps they deploy, the categories they lean into, and the authentication factors they require and police, SMBs (particularly small businesses, in some areas) are the change makers, responsible for much or most of the growth we see when we look at all companies.

SMBs are the first movers, making informed but agile decisions on a daily basis to build their businesses. And those decisions, properly interpreted, can help the market quickly understand what the best options out there really are.

For more on SMBs, check out our [SMB page](#). For now, this concludes our first SMBs at Work report. We hope you had as much fun as we did.

okta

Okta Inc.
100 First Street
San Francisco, CA 94105
info@okta.com
1-888-722-7871